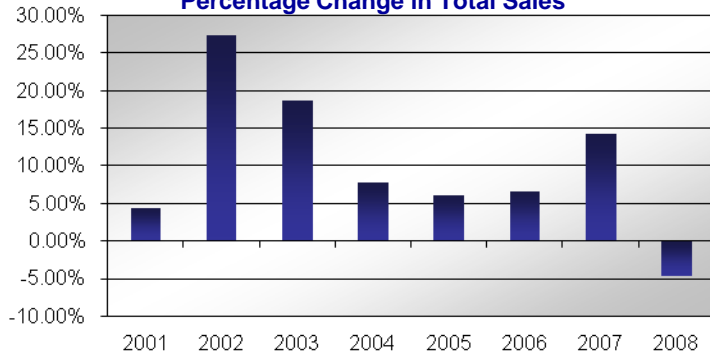
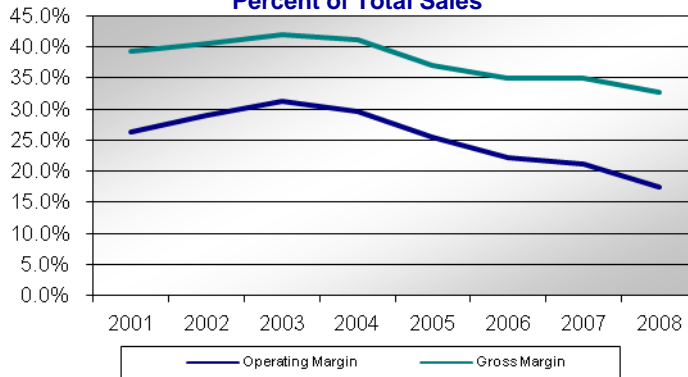


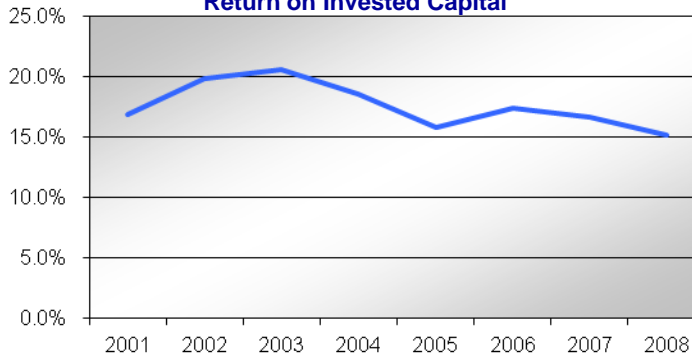
**Company Performance - Percentage Change in Total Sales**



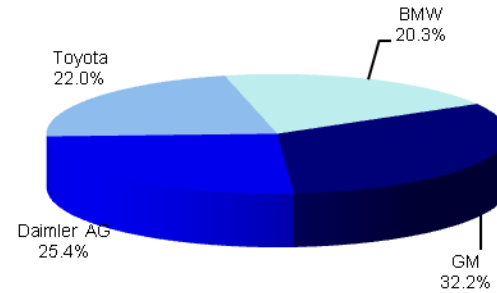
**Gross Margin & Operating Margin Percent of Total Sales**



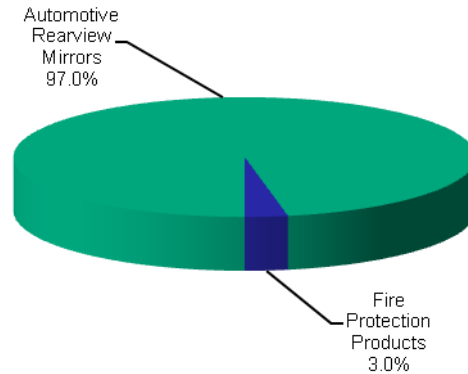
**Return on Invested Capital**



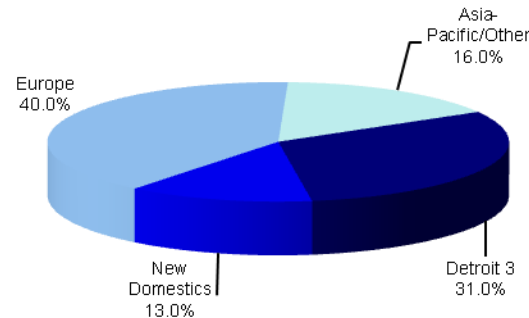
**Sales by Customer**



**Sales by Product Segment**



**Geographic Distribution of Sales**



**Commentary / Observations**

- Net sales in 2008 - \$623.8 million, down 5% from 2007. Net income of \$62 million is down 49%.
- 2,900 employees in 2007, 20% technical/R&D
- 22% compound annual revenue growth between 1987-2007
- 5 manufacturing plants, all located in Zeeland, MI
- Products – interior and exterior auto-dimming mirrors, fire protection products for commercial applications, and dimmable aircraft window.
- Newest features – SmartBeam Intelligent High-Beam Headlamp Assist System; Rear Camera Display Mirror
- Boeing has twice delayed the ship dates for the Dreamliner – holding up Gentex' non-auto diversification path.



IRN Rating	Criteria
5	<p><b>Market Position &amp; Strategy –</b></p> <ul style="list-style-type: none"> <li>• Dominates its product area; holds an estimated 83% of the global automatic-dimming mirror market.</li> <li>• Master at the use of mirrors as a platform for value-added features such as automatic headlamp control, telematics, indicators and sensors, information (temperature, direction, tire pressure, rear camera display)</li> <li>• Sees further market potential in trickle-down from high-end luxury option; strategy is to design with low-cost high-volume market in mind.</li> <li>• Concentrates on the application of 6 core competencies: glass; coatings; seals; chemistry; electronics; and final assembly.</li> </ul>
5	<p><b>Customer Base –</b></p> <ul style="list-style-type: none"> <li>• Strategy long term is to mirror its customer base to OEM global shares. This is still an unmet goal, but the company has good diversification .</li> <li>• Breadth of customer awards indicates that it is able to serve multiple customers at a very high level: GM Supplier of the Year 11 consecutive years, awards for excellence from Toyota, Honda, Nissan, Subaru, and Ford.</li> </ul>
5	<p><b>Product Lines –</b></p> <ul style="list-style-type: none"> <li>• The ultimate niche supplier – interior and exterior mirrors - but has turned a phenomenal level of creativity onto finding a richer mix from a narrow base.</li> <li>• Evidence of selective diversification: order for dimmable aircraft windows for the Boeing 787 Dreamliner Series.</li> </ul>
5	<p><b>Level of Innovation –</b></p> <ul style="list-style-type: none"> <li>• 7-8% of net sales on R&amp;D; says it has been the first to introduce every new mirror-borne electronic feature to market.</li> <li>• Sees continuing opportunity in microelectronics and electrochromic technology</li> </ul>
4.5	<p><b>Recent Performance –</b></p> <ul style="list-style-type: none"> <li>• Terrific record of net income up until the extraordinary conditions of 2008. Geographic and customer diversification has helped but Gentex is not immune to current conditions. Layoffs for the first time at the end of 2008, and first loss in operating or net income since 1984.</li> </ul>

## OVERALL RATING – 4.9

### Outlook –

#### Positives

- Performance has been stable for 15 years at a very high level.
- Textbook case of sticking to its core strength
- Excellent management and innovation

#### Negatives

- Auto industry growth is expected to be focused on emerging markets and products appropriate to that sector

#### Question Marks

- Ordinarily, more product diversification is preferred, but Gentex appears to see no end to the potential in this segment.
- Appears that the company is also starting to sell base mirror commodity product . Why and is that wise?

IRN Rating Scale – Criteria rated on 1-5 scale, with 5 representing the highest score possible.